Sick units in Andhra Pradesh

2650. SHRI C. RAMACHANDRAIAH: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether some of the chemical and pharmaceutical PSUs of the Ministry after becoming sick in the last decade have been referred to BIFR;

(b) if so, the details of the PSUs turned sick during the last decade;

(c) on the direction of BIFR, what measures are being implemented to revive the PSUs and also to rehabilitate the laid down/pruned work force;

(d) whether any new capital investment has been made in Andhra Pradesh to set up new units and also expand the existing production capacities of the units;

(e) if so, the details thereof; and

(f) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI B.K. HANDIQUE): (a) to (c) The following PSUs were referred to BIFR since 1997:—

(i) Hindustan Antibiotics Limited (HAL), Pune.

(ii) Hindustan Organic Chemicals Limited (HOCL), Mumbai.

(iii) Hindustan Insecticides Limited (HIL), New Delhi.

Government approved rehabilitation schemes for revival of the above mentioned companies. The approved schemes *inter alia* involve cash infusion, waiver/write off of Government of India loans and interest thereon. The work force was pruned through introduction or Voluntary Retirement Schemes.

(d) No, Sir.

(e) Does not arise

(f) Indian Drugs and Pharmaceuticals Limited (IDPL) has one unit at Hyderabad. Depending upon the approval to the revival package of IDPL, investment in Hyderabad unit would be considered.

Beneficiaries of fertilizer subsidies

†2651. SHRI LALIT KISHORE CHATURVEDI: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that the benefit of present fertilizer subsidy goes only to big farmers and small farmers deprived of it comparatively;

(b) whether it is a fact that the benefit of present system of fertilizer subsidy goes basically to fertilizer producers;

(c) whether a change in this system is recommended by the Twelfth Finance Commission; and

†Original notice of the question was received in Hindi.

(d) if so, the Government's views in the matter?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI B.K. HANDIQUE): (a) The present fertilizer subsidy is distributed to the farmers in the form of notified Maximum Retail Prices of subsidized fertilizers which are much below the actual delivered cost of these fertilizers at farm gate level. The benefit of the present fertilizer subsidy accrues more to farmers who use large amounts of fertilizers as compared to farmers who use smallar amount of fertilizers. However, the subsidy per tonne is uniformly available to all farmers who use subsidized fertilizers.

(b) No, Sir.

(c) and (d) The Twelfth Finance Commission has indicated a need to develop an alternative instrument for release of fertilizer subsidy. A GOM has been set up to look into all issues relating to sustainable use of fertilizers and pertinent subsidy and pricing issues.

Foreign companies in Indian market

2652. SHRI VIJAY J. DARDA: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Government are aware of the recent trend of influx of multinational drug companies towards Asia to capture the emerging market in this region, primarily in India; and

(b) if so, whether Government would prepare guidelines to ensure maximum employment of our unemployed, though employable, trained and qualified youth before these foreign companies are permitted to start their operations in the country?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI B.K. HANDIQUE): (a) and (b) As per the information received from Pharmaceutical Export Promotion Council (Pharmexcil) and Organization of Pharmaceutical Producers of India (OPPI), there is no recent trend of influx of multi-national drug companies in India. However, due to very higher number of patients, India is fast emerging as a very attractive market for Pharma manufacturing and marketing companies including Multinational Drug Companies (MNCs). Further, due to improved intellectual Property Rights regime there is a renewed interest of MNCs to invest in India.

MNCs based in India largely depend on the local manpower, particularly at the production level. To fulfill the requirement of trained and qualified man power for pharma companies as well as to ensure better employment for Indian youth, Government has decided to set up National Institute of Pharmaceutical Education and Research (NIPER) at six locations, *i.e.* Ahmedabad (Gujarat), Hyderabad (Andhra Pradesh), Hazipur (Bihar), Kolkata (West Bengal), Gauhati (Assam) and Rae Bareli (U.P.). These Institutes would provide Masters and Doctorate level courses in Pharma field. These Institutes would produce high caliber pharmaceutical experts to suit the need of pharma industry in the present global scenario.